

APPENDIX B
COST DEFINITIONS

Figures B-1 and B-2 display the cost element, appropriation, and MIL-STD 881(A) (reference (e)) Work Breakdown Structure Components of all cost definitions required for SAR preparation. The figures have been adapted from and are consistent with the detailed definitions contained in DoD Instruction 5000.33 (reference (c)).

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FIGURE B-1

DISCRETE COST DEFINITIONS *
(Shaded areas are excluded from definitions)

COST CATEGORIES						APPROPRIATIONS					WORK BREAKDOWN STRUCTURE			
TERM	RESEARCH & DEVELOPMENT		PRODUCTION		OPERATING b SUPPORT	RD&E	PROC. ^{3/}	MILCON	O&M ^{4/}	OTHER ^{4/}	MAJOR SYSTEM EQUIPMENT SYSTEM/PROJEC MANAGEMENT SYSTEM TEST AND EVALUATION	TRAINING ECULIAR SUPPORT EQUIPMENT DATA OPER./SITE ACTIVATION	INITIAL SPARES b INITIAL REPAIR PARTS	INDUSTRIAL FACILITIES (PBS)
	NON- RECURRING	RECURRING	NON- RECURRING	RECURRING										
DEVELOPMENT COST	\$	\$				\$					\$	\$		^{5/}
^{1/} FLYAWAY COST			\$	\$			\$				\$			
WEAPON SYSTEM COST			\$	\$			\$				\$	^{6/}		^{7/}
PROCUREMENT COST			\$	\$			\$				\$	\$	\$	^{7/}
^{2/} PROGRAM ACQUISITION COST	\$	\$	\$	\$		\$	\$	\$			\$	\$	\$	

NOTES

- ^{1/} GENERIC TERM DEPENDING UPON COMMODITY, CAN ALSO BE CALLED "ROLLAWAY" OR "SAILAWAY"
^{2/} ALSO KNOWN AS "ACQUISITION COST" OR "PROGRAM COST"
^{3/} INCLUDES SHIPBUILDING AND CONVERSION, NAVY APPROPRIATION
^{4/} O&M AND OTHER APPROPRIATIONS AND FUNDS ARE INCLUDED AS APPROPRIATE
^{5/} WHEN INDUSTRIAL FACILITIES ARE FUNDED BY RD&E IT WILL BE INCLUDED AS APPROPRIATE
^{6/} GENERALLY, OTHER PROGRAM PECULIAR WORK ELEMENTS (I.E. FLIGHT SUPPORT OPERATIONS AND SERVICES FOR SPACECRAFT) APPLY WHEN PROCUREMENT SUPPORTED
^{7/} EXCLUDES INDUSTRIAL FACILITIES WHEN FUNDED AS A SEPARATE BUDGET LINE ITEM

• ADAPTED FROM DOD INSTRUCTION 5000. 3 3
"UNIT FORM BUDGET/COST TERMS AND DEFINITIONS"

FIGURE B-2

COST DEFINITION DISPLAY *

